

BIDDER INFORMATION

VIEW THE PROPERTY

All of the properties that we offer for sale are available for viewing at one or more pre-set open house times. The properties are available for **public inspection** during each open house period or simply call the auctioneer to set up a time to inspect. If you are working with a specific real estate agent, your agent can make arrangements to get you access to the property. Every property is available by appointment should you miss an open house.

REQUEST A PROPERTY INFORMATION PACKAGE

If you have some interest in bidding on a property, make sure that you get a **Property Information Package (PIP)** from the Auctioneer. Most of the Property Information is on the MLS or Internet, but the complete package including drawings, financial information, detailed contracts, terms and conditions of the sale, seller disclosure statements, etc. might only be obtained at an open house or by contacting the Auctioneer to request one be mailed to you. In the case of an "AuctionByFax" Auction or should you wish to bid by "Absentee Bid" you will register on a "written bid and registration form" available only upon request.

KNOW THE TYPE OF AUCTION YOU ARE ATTENDING

There are several types of auction sales. Most auctions are live and on site, the best and most productive in our market is the "**ABSOLUTE AUCTION**". This type of sale requires that the property be sold to the highest and best bidder day of sale. The other type may be a "**RESERVE AUCTION**" either with a published or unpublished reserve amount. This sale will have a predetermined reserve price at which the seller will transfer the property. The sale may simply be subject to "**seller's confirmation**" at which point the seller determines the price at which they will transfer the property day of sale. These are often good sales in that the seller may be motivated to lower their expectations of value during the sale.

DO YOUR DUE DILIGENCE

Often a building inspection is available for the property being sold, but sometimes there is none available. Feel free to hire a building inspector or real estate appraiser before auction day to inspect any property you intend to bid on so you can be confident about your buying decision. **We will make special arrangements to have your inspector or appraisal gain access to the property.** Ask lots of questions before auction day about the property or business you intend to bid on. Acquire an understanding of the value of properties in the neighborhood, community, city or region in which the property is located. Feel free to have your legal representative to review the PIP. Gregg Napier Auction Group represents the Seller of the property exclusively.

ARRANGE FINANCING

When property is sold at auction by Gregg Napier Auction Group, it is for cash, with no conditions and typically closing in 30 days. This means that you will not be permitted to bid on a conditional basis. You must know prior to bidding that you are pre-approved for a mortgage from a bank or other financing source, or that you have the cash in hand. If you require financing assistance, **speak with the Auctioneer concerning any special finance opportunities or other financing assistance.**

Once in a while when dealing with large family trusts, commercial properties and/or business property, a seller financing option is offered. If this is the case, the financing option should be clearly published on all marketing materials, but ask, none the less.

When speaking with your lender about financing, always present him/her with the complete PIP. This will have all the pertinent information that they will require to pre-approve you, less the final price. If your lender forces you to put a price on the property, tell the lender the highest amount you'd be prepared to pay for the property and see if you can get approved in that manner. If you get approved at your highest price, then you know you can pay any number less than your approved number and perhaps just a little more, if need be.

SPEAK WITH THE AUCTION COMPANY

Being honest with the Auction Company representative about your level of interest in the property will increase your chance of buying the property. Some properties sold by the Gregg Napier Auction Group are sold subject to confirmation (reserve auction). During the auction of any asset, the Seller has a price in mind of what he'd like to sell for and a Buyer has price in mind of what he'd like to buy for. **As a buyer, by being honest with the auction representative about your level of interest in the property, we can pre-prepare the Seller for the actual sales results several days prior to the auction, therefore increasing your chances of buying the property for your price.**

UNDERSTANDING THE SELLER

As a Buyer you should understand the Seller's level of motivation. In the case of a Gregg Napier Auction Group auction, our Sellers are always clear in their intentions to sell. At Carolina One we select our customers carefully. Our Seller's aren't just giving the process a shot. **Our Sellers have made substantial financial investments in the marketing effort** and in preparing due diligence information for the sale. For our smaller properties this may be an investment of under ten thousand dollars. For larger and/or extraordinary properties requiring national and/or international exposure, this marketing investment may be tens of thousands, or even hundreds of thousands of dollars. Either way, large or small, the Seller is demonstrating a higher level of commitment to selling. **Certainly a commitment (to sell) far beyond the act of hiring a local agent, placing a "for sale" sign on the front lawn and placing the listing in the MLS.**

REGISTER TO BID

Prior to any bids being accepted by the Auctioneer, you must be registered to bid for that property. **There is no cost to register to bid.** For a live auction, the Gregg Napier Auction Group will require you to sign a terms and conditions registration form to receive your bidder's card. This registration form states that you have read and understand the terms of this sale and are prepared to proceed under those conditions. You may register to bid on a specific property at an open house, at our office or in person at the registration desk day of sale. Some properties may require a deposit due upon registration and for others, there is no deposit requirement at the registration process. This will be made clear in advance or in the PIP and all marketing materials. For an "AuctionByFax" or should you wish to bid by "Absentee Bid" a written bid and registration form along with a few other simple documents need to be completed in order to become eligible to bid on the property.

OPENING BIDS-LIVE AUCTION

Often we are asked the question "**where will the bidding start?**" When selling by live auction, we ask that the registered bidder submit or provide an opening bid. Should we receive such a bid, the live auction will start at the highest opening bid provided. Should there be no advance opening bid, the auction will proceed with an "outcry" for an opening bid. There are many philosophies on bidding techniques; however our experience is that a strong advance opening bid often times results in success.

REMEMBER YOU MUST BE REGISTERED TO BID

OPENING BIDS-AuctionByFax AUCTION

In the case of an "AuctionByFax" auction, every bidder submits a written bid, **BUT only the top 4 bidders** and/or top 10% of bidders become eligible to bid for the property. The auction may be conducted dually by fax and phone and bid challenges are made on "bid challenge forms" by a pre-set minimum bid increment. If your first bid does not place you among the top 4, you will not have the opportunity to participate in the auction. So in this case, make your best bid your first bid. If you don't qualify among the top, you can sleep at night knowing that you gave it your best shot. If you are among the contending bidders you will be notified immediately of what the other bids are and have the opportunity to challenge them (or defend your bid if you are the high bidder). Should you win the auction as the final high bidder, upon request, we will disclose to you all bids from all parties bidding in the top 4.

DEPOSIT REQUIREMENTS

Make sure that you have the required deposit amount accessible upon short notice, or on hand. Certain auctions may require a certified deposit with the registration prior to the auction but most auctions only require a deposit from the successful bidder immediately following the auction and contract signing. Sometimes this may need to be certified funds, but most of the time it does not. **The deposit terms and requirements are always listed clearly in the marketing materials, advertisements and in the PIP.** Make sure you familiarize yourself in advance with those requirements or ask the auctioneer or representative should you have questions.

BIDDING PLAN (STRATEGY) - LIVE AUCTION

Assuming you have some understanding of the property's value and a clear understanding of what you are prepared to pay for the property, don't be afraid to open the bidding at the auction with a strong beginning bid. One of the hardest parts of the live auction for the Auctioneer is getting the 1st bid. By being the first bidder with a strong opening bid you will command respect from the Auctioneer right from the beginning. Most people at an auction will value the property similarly; however, **the first bidder to that number is the buyer on that property**. Further, your strong opening bid will quickly set the pace of the auction and others bidding against you may be intimidated by your bidding strategy.

BID ASSISTANTS

You will be introduced to bid assistants day of sale. Believe it or not these folks are there to help you. They are there to answer specific questions about when, what, where and how. They will assist you with a particular bidding strategy or help you place your bid or let you know when to bid. Once they know your plan, they can help you effect that plan. If you are unsure where the bid may be or what the auctioneer is asking for, any bid assistant will help you. Don't be afraid of these people, they are just at the auction to provide information and help you understand the process. Direct your questions to the bidding assistant once bidding has begun.

ENDING THE AUCTION

Following the auction bidding, if the property is sold with seller's confirmation, typically that confirmation is required to be given immediately. However, if the property has not already been declared sold to you, some sales may grant the seller up to 48 hours to accept or reject your written offer. (Any time requirements will be stated in the PIP and terms & conditions forms). With the Gregg Napier Auction Group the majority of our properties get sold day of sale and an overwhelming number are sold as a result of the auction regardless of time. **If you are the high bidder** and the property is **declared sold to you**, you will **immediately sign the purchase contract and provide a deposit** for the specific amount as indicated in the terms and conditions of sale.

Thank you and I hope to see you at the next auction.....Gregg Napier, AARE



www.CharlestonRealEstateAuctions.com